

6907

I N S E N A T E

March 4, 2016

Introduced by Sen. AVELLA -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law and the state finance law, in relation to the stock transfer tax and to creating the statewide pre-k fund

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 1 of section 280-a of the tax law, as amended
2 by chapter 578 of the laws of 1981, is amended to read as follows:
3 1. Except as otherwise provided in subdivision fifteen of this
4 section, where a tax shall have been paid under this article a portion
5 of the amount paid shall be allowed as a rebate and such portion shall
6 be paid to the taxpayer but only to the extent that moneys are available
7 for the payment of such rebates in the stock transfer incentive fund
8 established pursuant to section ninety-two-i of the state finance law.
9 The portion of the amount of tax paid which is to be allowed as a rebate
10 shall be thirty percent of the tax incurred and paid on transactions
11 subject to the stock transfer tax occurring on and after October first,
12 nineteen hundred seventy-nine and on or before September thirtieth,
13 nineteen hundred eighty and sixty percent of the tax incurred and paid
14 on such transactions occurring on and after October first, nineteen
15 hundred eighty and on or before September thirtieth, nineteen hundred
16 eighty-one and all of the amount of tax incurred and paid shall be
17 allowed as a rebate on transactions subject to the stock transfer tax
18 occurring on and after October first, nineteen hundred eighty-one AND ON
19 OR BEFORE SEPTEMBER THIRTIETH, TWO THOUSAND SIXTEEN, AND THIRTY PERCENT
20 OF THE TAX INCURRED AND PAID SHALL BE ALLOWED AS A REBATE ON SUCH TRANS-
21 ACTIONS OCCURRING ON AND AFTER OCTOBER FIRST, TWO THOUSAND SIXTEEN.
22 S 2. Subdivisions 3 and 4 of section 92-b of the state finance law,
23 subdivision 3 as amended by chapter 878 of the laws of 1977, subdivision
24 4 as amended by chapter 724 of the laws of 1979, are amended to read as
25 follows:
26 3. The moneys received from such tax and other sources in such fund,
27 after deducting the amount the commissioner of taxation and finance

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 shall determine to be necessary for reasonable costs of the state tax
2 commission in administering, collecting and distributing such tax,
3 commencing with the fiscal year ending March thirty-first, nineteen
4 hundred seventy-seven, shall be appropriated to (i) the municipal
5 assistance corporation for the city of New York created pursuant to
6 title three of article ten of the public authorities law in order to
7 enable such corporation to fulfill the terms of any agreements made with
8 the holders of its notes and bonds and to carry out its corporate
9 purposes including the maintenance of the capital reserve fund and (ii)
10 to the extent such moneys are not required by such corporation as
11 provided in subdivision seven of section ninety-two-d of this [chapter]
12 ARTICLE and, after deducting the amount such commissioner shall deter-
13 mine to be necessary for reasonable costs of the state tax commission in
14 administering and making distributions in accordance with the provisions
15 of section two hundred eighty-a of the tax law from the stock transfer
16 incentive fund, to the stock transfer incentive fund created pursuant to
17 section ninety-two-i of this [chapter] ARTICLE to enable rebates to be
18 made from such fund under the provisions of section two hundred eighty-a
19 of the tax law and (iii) to the extent such moneys are not required by
20 such fund, as certified by the commissioner of taxation and finance, the
21 balance shall be appropriated to the [city of New York, for the support
22 of local government] STATEWIDE PRE-K FUND ESTABLISHED PURSUANT TO
23 SECTION NINETY-TWO-O OF THIS ARTICLE.

24 4. After the deduction of such costs of the state tax commission in
25 administering, collecting and distributing such tax, the balances in the
26 stock transfer tax fund so appropriated shall be distributed and paid on
27 the last business day of September, December, March and June into the
28 special account established for the municipal assistance corporation for
29 the city of New York in the municipal assistance tax fund established
30 pursuant to subdivision one of section ninety-two-d of this [chapter]
31 ARTICLE, unless and to the extent the balances in such fund on each such
32 payment day are not required by such corporation as provided in said
33 subdivision seven of said section ninety-two-d in which case the balance
34 not so required, if any, after the deduction of such costs of the state
35 tax commission in administering and making distributions in accordance
36 with the provisions of section two hundred eighty-a of the tax law from
37 the stock transfer incentive fund shall be distributed and paid to the
38 stock transfer incentive fund in the custody of the commissioner of
39 taxation and finance established pursuant to section ninety-two-i of
40 this [chapter] ARTICLE and unless and to the extent that the balances in
41 the stock transfer tax fund on each such payment day are not required by
42 the stock transfer incentive fund as provided in such section ninety-
43 two-i of this [chapter] ARTICLE in which case the balance not so
44 required, if any, shall be distributed and paid to the [chief fiscal
45 officer of the city of New York to be paid into the treasury of the city
46 to the credit of the general fund or paid by the commissioner of taxa-
47 tion and finance to such other account or fund as may be designated in
48 writing by such chief fiscal officer at least ten business days prior to
49 such last day and on each such day, the] STATEWIDE PRE-K FUND ESTAB-
50 LISHED PURSUANT TO SECTION NINETY-TWO-O OF THIS ARTICLE. THE commis-
51 sioner of taxation and finance shall certify to the comptroller the
52 amount deducted for administering, collecting and distributing such tax
53 during such quarterly period and shall pay such amount into the general
54 fund of the state treasury to the credit of the state purposes fund
55 therein. In no event shall any amount (other than the amount to be
56 deducted for administering, collecting and distributing such tax) be

1 distributed or paid from the stock transfer tax fund to any person other
2 than the municipal assistance corporation for the city of New York
3 unless and until the aggregate of all payments certified to the comp-
4 troller as required by such corporation in order to comply with its
5 agreements with the holders of its notes and bonds and to carry out its
6 corporate purposes, including the maintenance of the capital reserve
7 fund, which remain unappropriated or unpaid to such corporation shall
8 have been appropriated to such corporation and shall have been paid in
9 full provided, however, that no person, including such corporation or
10 the holders of its notes or bonds shall have any lien on such tax and
11 such agreements shall be executory only to the extent of the balances
12 available to the state in such fund. If the balances in such fund are
13 not required by such corporation pursuant to the provisions of this
14 subdivision, on each such last business day of September, December,
15 March and June, the commissioner of taxation and finance shall certify
16 to the comptroller the amount deducted for administering and making
17 distributions in accordance with the provisions of section two hundred
18 eighty-a of the tax law from the stock transfer incentive fund during
19 such quarterly period and he shall pay such amount into the general fund
20 of the state treasury to the credit of the state purposes fund therein.
21 To the extent such moneys are not required by such corporation, as
22 provided in subdivision seven of section ninety-two-d of this [chapter]
23 ARTICLE, no amount thereof (other than such amount to be deducted for
24 administering, collecting and distributing such tax and such costs in
25 administering and making distributions in accordance with the provisions
26 of section two hundred eighty-a of the tax law from the stock transfer
27 incentive fund) shall be distributed or paid from the stock transfer tax
28 fund other than to such stock transfer incentive fund OR THE STATEWIDE
29 PRE-K FUND in the custody of the commissioner of taxation and finance
30 unless and until the aggregate of all payments certified to the comp-
31 troller by such commissioner pursuant to the provisions of such incen-
32 tive fund as necessary to provide payments on account of rebates author-
33 ized pursuant to section two hundred eighty-a of the tax law which
34 remain unappropriated or unpaid to such fund shall have been appropri-
35 ated to such fund and shall have been paid in full provided, however,
36 that no person, including any taxpayer under article twelve of the tax
37 law or any member or dealer referred to in subdivisions two-a and six of
38 section two hundred eighty-a of such law, shall have any lien on this
39 fund or the stock transfer incentive fund.

40 S 3. The state finance law is amended by adding a new section 92-o to
41 read as follows:

42 S 92-O. THE STATEWIDE PRE-K FUND. 1. THERE IS HEREBY ESTABLISHED IN
43 THE JOINT CUSTODY OF THE COMMISSIONER OF TAXATION AND FINANCE AND THE
44 COMMISSIONER OF EDUCATION A SPECIAL FUND TO BE KNOWN AS THE STATEWIDE
45 PRE-K FUND.

46 2. SUCH FUND SHALL CONSIST OF MONEYS PAID THERETO FROM THE STOCK
47 TRANSFER TAX FUND AS PROVIDED IN SUBDIVISION FOUR OF SECTION
48 NINETY-TWO-B OF THIS ARTICLE AND ALL OTHER MONEYS APPROPRIATED, CREDITED
49 OR TRANSFERRED THERETO FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW.

50 3. THE MONEYS IN THIS FUND SHALL BE DIRECTED FOR THE EXPANSION OF
51 PRE-KINDERGARTEN THROUGHOUT THE STATE.

52 4. MONIES SHALL BE PAYABLE FROM THE FUND ON THE AUDIT AND WARRANT OF
53 THE COMPTROLLER ON VOUCHERS APPROVED AND CERTIFIED BY THE COMMISSIONER
54 OF EDUCATION.

55 S 4. This act shall take effect September 1, 2016.